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1 <u>SB 6828</u> - H AMD TO H AMD (H-4864.3/02) **0542 failed 3-12-02** 2 By Representative ____

On page 1, line 7 of the amendment, strike the remainder of the amendment and insert the following:

- "Sec. 1. RCW 43.79.480 and 1999 c 309 s 927 are each amended to read as follows:
- (1) Moneys received by the state of Washington in accordance with the settlement of the state's legal action against tobacco product manufacturers, exclusive of costs and attorneys' fees, shall be deposited in the tobacco settlement account created in this section.
- (2) The tobacco settlement account is created in the state treasury. Moneys in the tobacco settlement account may only be transferred to the health services account for the purposes set forth in RCW 43.72.900, to the local public health assistance account for the purposes set forth in section 2 of this act, and to the tobacco prevention and control account for purposes set forth in this section.
- (3) The tobacco prevention and control account is created in the state treasury. The source of revenue for this account is moneys transferred to the account from the tobacco settlement account, investment earnings, donations to the account, and other revenues as directed by law. Expenditures from the account are subject to appropriation.
- (4) ((The state treasurer shall transfer one hundred million dollars from the tobacco settlement account to the tobacco prevention and control account upon authorization of the director of financial management. The director shall authorize transfer of the total amount by June 30, 2001.)) On July 1, 2002, and on July 1 of each fiscal year thereafter, the state treasurer shall transfer moneys from the tobacco settlement account to the local public health assistance account as directed in this section.
- 31 <u>(a) The amount transferred on July 1, 2002, is eighteen million</u> 32 two hundred thousand dollars.
- 33 (b) Beginning July 1, 2003, and each fiscal year thereafter, the 34 amount transferred to the local public health assistance account shall 35 be increased by the fiscal growth factor as defined in RCW 36 43.135.025(7).

NEW SECTION. Sec. 2. A new section is added to chapter 43.31 RCW to read as follows:

The local public health assistance account is created in the 3 4 custody of the state treasurer. Only the director of the department of community, trade, and economic development or the director's designee 5 may authorize expenditures from the account. Revenues to the account 6 7 consist of tobacco settlement revenues transferred pursuant to RCW 8 43.79.480 and other appropriations and transfers to the account. 9 Expenditures from the account may be made only for the purpose of 10 assisting county health departments and public health districts on the basis of population. The account is subject to the allotment 11 procedures of chapter 43.88 RCW, but no appropriation is required for 12 13 expenditure.

<u>NEW SECTION.</u> **Sec. 3.** This section is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately."

18 Correct the title.

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EFFECT: Removes the provisions regarding securitization of a portion of the tobacco settlement revenues and establishes a local public health assistance account. \$18.2 million of tobacco settlement revenues will be transferred into the new local public health assistance account, and this amount will be increased annually by the fiscal growth factor. These moneys will be distributed by CTED to county health departments and public health districts based on population.

OPR -2-